Broad Opposition to the GOP Tax Scam

House Republicans passed their GOP tax scam today, despite strong opposition. Here is a look at the number of groups speaking out against the bill that increases taxes on 36 million middle-class families, cuts taxes on the wealthiest, and adds \$1.5 trillion dollars to the deficit.

ORGANIZATIONS FOCUSED ON FISCAL RESPONSIBILITY

<u>Peter G. Peterson Foundation</u>: "Passing a bill to our kids is not the right way to pass a bill. This legislation is an example of fiscal irresponsibility. It is based on a presumption that it's somehow acceptable to add \$1.5 trillion to our national debt over the next ten years when we will already be adding \$10 trillion as it is...Lawmakers should use the valuable opportunity presented by tax reform both to improve our fiscal outlook and strengthen the economy at the same time." [Statement, 11/2/17]

Committee for a Responsible Federal Budget: "Not only would today's legislation cost more than \$1.5 trillion over a decade, but it includes a number of gimmicks, including allowing certain provisions to expire, that could ultimately result in more than \$1.5 trillion of new deficits. The bill also continues to rely on unrealistic economic growth assumptions to justify its cost." [Statement, 11/2/17]

DEFENSE OFFICIALS

Former Secretaries of Defense Leon Panetta, Ash Carter, and Chuck Hagel: "Tax relief without fiscal discipline will inevitably add to the national debt... That increase in the debt will, in the absence of a comprehensive budget that addresses both entitlements and revenues, force even deeper reductions in our national security capabilities." [Letter, 11/16/17]

BUSINESS COMMUNITY & HOUSING ORGANIZATIONS

<u>Small Business Majority</u>: "Much can be done to help small firms through tax policy changes, which is why it is so disappointing that this proposal offers virtually nothing to benefit the overwhelming majority of America's job creators." [Accounting Web, <u>11/2/17</u>]

<u>National Association of Home Builders</u>: "The details that are coming out show that the House Republicans are picking large corporations and wealthy Americans over small businesses and middle-class American homeowners..." [Business Insider, <u>11/2/17</u>]

<u>National Association of Realtors</u>: "Eliminating or nullifying the tax incentives for homeownership puts home values and middle class homeowners at risk, and from a cursory examination this legislation appears to do just that." [Statement, 11/2/17]'

<u>Housing Partnership Network</u>: "While the bill maintains the Low Income Housing Tax Credit (LIHTC), which the Republican United Framework called effective, it simultaneously devastates production under the program by eliminating private activity multifamily housing bonds." [Statement, <u>11/2/17</u>]

American Institute of Architects: "The House Ways & Means Committee proposal, as drafted, will unfairly damage the thousands of small and family-owned businesses that organize as pass-through entities. This includes the majority of U.S. architecture firms. It undercuts the design and construction sector's role as a primary catalyst of job growth in the American economy. The American Institute of Architects cannot support it as drafted..." [Statement, 11/2/17]

The Council of Insurance Agents and Brokers, The Independent Insurance Agents and Brokers of America, The National Association of Insurance and Financial Advisors: "We believe that any tax code overhaul should provide simplification and certainty for individuals and pass-through entities, along with their C Corporation counterparts... As such we urge you to consider revising the legislation in a way that would not pick winners and

losers based on one's chosen profession alone, and would allow insurance services businesses of all sizes to compete more effectively." [Letter, 11/13/17]

STATE AND LOCAL ECONOMIC DEVELOPMENT

<u>Council of Development Finance Agencies</u>: "We understand the importance of streamlining the tax code and growing revenue; however, any tax reform legislation that eliminates Private Activity Bonds would be devastating to economic development at the state and local levels, and would undermine the purported economic gains of any tax reform." [Letter, <u>11/3/17</u>]

Bond Dealers of America: "If this proposal becomes law, it would severely impact state and local efforts to build affordable housing, promote home ownership, finance higher education, build critical infrastructure, and foster economic development. I am also alarmed that the bill would eliminate advance refundings of municipal bonds. This ill-advised provision would rob state and local governments of the opportunity to save tax payer's money by taking advantage of lower interest rates and invest in much needed infrastructure." [Statement, 11/6/17]

LAW ENFORCEMENT & FIRST RESPONDERS

<u>International Association of Firefighters</u>: "I want to be clear, the current plan to cap the deduction would be devastating to the fire service – not just in Virginia but across the country...In addition to affecting the fire service, taking away the deductibility of these taxes would have an impact on the lives of middle class men and women, many of whom I work beside and represent every day." [Remarks, 11/3/17]

<u>Fraternal Order of Police</u>: "The FOP is very concerned that the partial or total elimination of SALT deductions will endanger the ability of our State and local government to fund these agencies and recruit the men and women we need to keep us safe. ... On behalf of the more than 333,000 members of the Fraternal Order of Police, I urge Congress to preserve the SALT deductions, to reject any effort to eliminate, in whole or in part, these deductions and oppose the final bill if these deductions are not included." [Letter, 11/14/17]

VETERANS

<u>Paralyzed Veterans of America</u>: "Only days away from Veterans Day, I cannot imagine a more disappointing message to the most catastrophically injured men and women who served our country than to hinder their financial independence, detrimentally affect their quality of life, or undermine the civil rights provided to them under the Americans with Disabilities Act (ADA)... Nearly 300,000 veterans benefitted from The Work Opportunity Tax Credit between 2013 and 2015, the large majority of whom are veterans who have served during the War on Terror since September 11, 2001." [Statement, 11/6/17]

FARMING COMMUNITY

<u>National Farmers Union</u>: "...[W]e adamantly oppose the overarching elements of this plan because they shift the nation's tax burden from the top earners in our country to the backs of American family farmers, ranchers and the middle class." [Statement, $\frac{11/2/17}{1}$]

National Council of Farmer Cooperatives: "... [T]he tax reform proposal released today by House Ways & Means Chairman Kevin Brady would raise taxes on millions of farmers and depress economic activity throughout rural America...Initial calculations using assumptions based on the Unified Framework on tax reform show that the tax burden for an individual farmer could increase by thousands of dollars each year under Section 199 repeal." [Statement, 11/2/17]

CIVIL RIGHTS ORGANIZATIONS

NAACP: "This legislation is bad policy for low-and middle-income Americans; it will cause great harm to public education; it could mean huge tax increases for families already saddled with exorbitant medical costs; it is mean-

Office of Democratic Whip Steny H. Hoyer, 11/16/2017

spirited towards immigrants and non-citizens; and it is bad economic policy. It represents an opportunity lost in terms of what is needed to help all American families prosper, not just the wealthy few." [Alert, 11/10/17]

WORKING AMERICANS

Service Employees International Union (SEIU): "This proposal is disastrous for working people. History has shown us that these types of tax breaks never 'trickle down' to working people and will result in cuts to healthcare, education and other programs our communities depend on. If passed, these tax cuts would give millionaires and corporations a reason to celebrate but would hurt working Americans who are trying put food on the table, start their first businesses, send their children to college, save for their retirement and buy homes." [Statement, 11/3/17]

<u>International Association of Machinists and Aerospace Workers</u>: "This partisan designed scheme is not true tax reform, but a shameless attempt to bestow huge tax cuts on wealthy corporations and the one percent. This brazen giveaway to the wealthy would be paid for with the jobs of American workers, as the Republican plan fails to close existing loopholes and adds additional incentives for U.S. companies to outsource jobs overseas. Further, the plan does nothing to make the necessary investments in our nation's infrastructure that would foster real job creation." [Letter, <u>11/13/17</u>]

<u>AFL-CIO</u>: "This tax bill is a job killer. It gives hundreds of billions of dollars in tax breaks to companies that outsource jobs and profits. No matter how it's spun by Republican politicians, their tax bill is nothing but giveaways to Wall Street, big corporations and millionaires, paid for on the backs of working families." [Statement, <u>11/2/17</u>]

AFSCME: "This tax bill is another gift to the powerful corporate special interests who manipulate our politics and politicians. Working people, seniors, and children will pay for this bill's tax giveaways to corporations and the super wealthy by way of partisan gamesmanship that will force cuts to Medicare, Medicaid, and public education. But to add insult to injury, the bill will starve communities of state and local public services, stifle job growth, and cause many middle class families to actually be hit with a tax increase." [Statement, 11/2/17]

<u>National Association of Letter Carriers</u>: "Letter carriers are the very middle-class working families that will suffer should this misguided legislation become law. H.R. 1 is designed to bolster the fortunes of the wealthiest Americans through, among others, a repeal of the estate tax, a cut to 'pass-through' income taxes, a repeal of the alternative minimum tax, and a whopping fifteen percent reduction in the corporate tax rate, all while failing to close costly loopholes." [Letter, <u>11/15/17</u>]

National Association of State Retirement Administrators (NASRA), the National Conference on Public Employee Retirement Systems (NCPERS), and the National Council on Teacher Retirement (NCTR): "[W]e are writing to relay serious concerns our memberships are expressing to us regarding Section 5001 of the Tax Cuts and Jobs Act (H.R. 1), which could subject certain investments of state and local governmental pension plans to the unrelated business income tax (UBIT). State agencies are Constitutionally exempt from taxation and application of Section 5001 to public pension plans erodes the immunity states and the federal government each enjoy from taxation by the other. In addition to the revenue loss from the tax itself, the provision imposes significant, complex compliance costs that could impact portfolio construction and diversification of public funds." [Letter, 11/9/17]

SENIORS & OLDER AMERICANS

<u>AARP</u>: "Eliminating the medical expense deduction amounts to a health tax on millions of Americans with high medical costs — especially middle-income seniors... AARP is strongly opposed to this provision... We urge Congress to maintain tax incentives that promote retirement savings, retirement security and help offset the high out-of-pocket health care costs of older Americans." [Blog, <u>11/7/17</u>]

<u>Leadership Council on Older Americans</u>: "Older Americans will be among the big losers if the House tax reform bill under consideration passes. Republican leaders have made it clear that their fiscally irresponsible \$1.5 trillion increase in the federal budget deficit will result in major cuts in to Medicare, Medicaid, discretionary programs like the Older Americans Act, and may be used as an excuse to cut Social Security." [Statement, 11/8/17]

Office of Democratic Whip Steny H. Hoyer, 11/16/2017

<u>Alliance for Retired Americans</u>: "The bill unleashed by the House today moves us one step closer to massive, unnecessary tax breaks for the wealthy and corporations. Seniors, low-income and middle-class taxpayers will be footing the bill for these changes through health care cuts, by losing the ability to deduct all their state and local income and sales taxes, and by limiting their ability to deduct their property taxes." [Statement, <u>11/2/17</u>]

Medicare Rights Center, Center for Medicare Advocacy: "As organizations that share a commitment to promoting access to affordable, high-quality health care for older adults, people with disabilities, and their families, we have significant concerns with the Tax Cuts and Jobs Act introduced in the House of Representatives yesterday. This massive tax cut for the wealthy sets the stage for deep cuts to Medicare, Medicaid, and Social Security in the near future." [Statement, 11/16/17]

HOSPITALS & PATIENT ADVOCATES

American Hospital Association: "If hospital access to tax-exempt financing is eliminated, the result could be devastating for both patients and their communities. The financial unraveling of a hospital has the potential to impact a community more profoundly than the unplanned closure of nearly any other institution. Patients will suffer as hospitals struggle to survive. Prices will rise, equipment will wear down without being replaced, and physicians will leave." [Letter, 11/6/17]

Organizations including the American Cancer Society Cancer Action Network, March of Dimes, Muscular Dystrophy Association, National Council for Behavioral Health National Multiple Sclerosis Society, and National Organization for Rare Disorders: "We, the undersigned organizations write today to express our opposition to elimination of the Medical Expense Deduction in H.R. 1, the Tax Cuts and Jobs Act of 2017. For the past 75 years, Americans with high health care costs have been able to deduct medical expenses from their taxes. For the approximately 8.8 million Americans who annually take this deduction, it provides important tax relief which helps offset the costs of acute and chronic medical conditions for older Americans, children, pregnant women and other adults as well as the costs associated with long term care and assisted living." [Letter, 11/7/17]

EDUCATION ADVOCATES

Forty-three education organizations including AASA: The School Superintendents Association, National Association of Elementary School Principals, NAACP, GLSEN: "[T]he House tax bill would hurt the ability of state and local governments to fund important public services like public education by eliminating the state and local tax deduction, ending tax benefits that help families afford college, and repealing the tax deduction currently used by educators who pay out of their own pockets for essential supplies for their students. We are deeply committed to ensuring students get the best possible education and support, and the elements of the 'Unified Framework' and House tax bill fall far short of this basic expectation. Congress can---and must---do better." [Letter, 11/13/17]

<u>National Education Association</u>: "The tax plan released by House Republican leaders and backed by President Trump is a massive tax giveaway to the wealthiest individuals and corporations funded on the backs of students and working families." [Statement, 11/2/17]

<u>American Council on Education</u>: "Taken in its entirety, the House tax reform proposal released today would discourage participation in postsecondary education, make college more expensive for those who do enroll, and undermine the financial stability of public and private, two-year and four-year colleges and universities... This is not in America's national interest." [Statement, 11/2/17]

Association of American Universities: "... The legislation, as currently proposed, will make higher education less affordable and less accessible to middle- and low-income Americans. This bill will have dire consequences for Americans who rely on research universities for undergraduate and graduate education, and to conduct cutting-edge research that results in life-saving medicines, and innovative technologies that bolster our national defense and economic competitiveness." [Statement, 11/2/17]

Association of Governing Boards of Universities and Colleges: "The Tax Cuts and Jobs Act, released today by the House Ways & Means Committee, could prove disastrous to non-profit organizations in the United States—particularly our nation's colleges and universities." [Statement, 11/2/17]

Association of Public and Land-Grant Universities: "[A]s written, the bill would have deeply negative consequences for access to higher education, the cost of college, and efforts to develop the highly skilled workforce that is needed to propel our nation's economy forward..." [Statement, 11/2/17]

American Association of Community Colleges and the Association of Community College Trustees: "While tax reform is desirable, the country cannot afford to make financing community college more difficult. The average full-year community college tuition is \$3,570, making it the least expensive sector of higher education by far, but students are still heavily dependent on the tax code to meet their college costs. H.R. 1 would eliminate some of these essential supports, adding \$65 billion to college costs over the next decade. For this reason, we urge you to rethink and reject these dramatic changes to college financing. [Letter, 11/10/17]

The Federation of American Societies for Experimental Biology (FASEB): "Changes in the tax code that create financial hardships for students pursuing a graduate education threaten to erode the U.S.'s role as a world leader in research. Therefore, FASEB urges Congress to preserve the tax exemption for graduate student tuition waivers." [Letter, 11/13/17]

ENVIRONMENTAL GROUPS

350.org, Alaska Wilderness League, Earthjustice, Environment America, and the Sierra Club: "[W]e write to urge you to oppose the Republican leadership's tax legislation, the misnamed Tax Cuts and Jobs Act (H.R.1). This plan would lavish huge and permanent tax cuts to the richest 1% and corporate polluters that are destined to be paid for by the health and environmental well-being of communities across the country." [Joint Letter, 11/15/17]

League of Conservation Voters: "This bill delivers a huge tax cut to millionaires and corporate polluters at the expense of the health and well-being of communities across the country. It takes our energy policy backwards by eliminating incentives for renewables and failing to close loopholes that prevent oil and coal from paying their fair share. This legislation is a fiscally and environmentally irresponsible scam that will result in massive funding cuts to clean air and water protections our communities rely on." [Statement, 11/16/17]

FAITH-BASED ORGANIZATIONS

<u>National Association of Catholic Bishops</u>: "...As written, this proposal appears to be the first federal income tax modification in American history that will raise income taxes on the working poor while simultaneously providing a large tax cut to the wealthy. This is simply unconscionable." [Letter, 11/9/17]

Baptist Joint Committee for Religious Liberty: "This tax bill will deform, not reform, the tax law that protects our houses of worship. Gutting the law that protects 501(c)(3) organizations from candidates pressing for endorsements threatens to destroy our congregations from within over disagreements on partisan campaigns. Under the current tax law, pastors speak truth to power and preach on moral issues, no matter how controversial." [Statement, 11/2/17]

Americans United for Separation of Church and State: "[T]he leadership of the House of Representatives ignored the American people today when they released a tax-reform package that includes language that exempts houses of worship from the law. Congressional leadership should listen to all of these Americans and strip this harmful language from the tax-reform bill during its markup in the House Ways and Means Committee, which is currently scheduled for Nov. 6." [Statement, 11/2/17]

NETWORK Lobby for Catholic Social Justice: "The House Republican tax plan fails our test for fairness and is inconsistent with Catholic Social Justice. Rather, the Republicans double down on a failed economic theory of

trickle-down economics where the rich get richer and our nation gets poorer... This is not a faithful way forward and must be opposed..." [Statement, $\frac{11/2}{17}$]

NON-PROFITS & CHARITIES

<u>Independent Sector</u>: "The Tax Cuts and Jobs Act released today by the House of Representatives hurts charities, our communities, and the millions of families that we serve. Rather than unlocking more charitable giving to encourage more people to invest in their communities, this bill moves in the wrong direction and only incentivizes a small, wealthy group of people to give." [Sector, <u>11/2/17</u>] nonprofits, foundations, and corporations engaged in every kind of charitable endeavor.

National Association of Health and Educational Facilities Finance Authorities (NAHEFFA): "Non-profit hospitals and higher education institutions, and other public charities, are found in virtually every community across the nation and depend on tax-exempt private activity bonds as a financing option for a wide range of projects including general acute care hospitals, continuing care retirement communities, children's hospitals, comprehensive cancer centers, general medical and surgical facilities, single specialty hospitals, higher education facilities, assisted living and nursing homes, and private nonprofit schools. Without access to tax-exempt private activity bonds, many of these critical facilities simply would not be built." [Statement, 11/3/17]

<u>Easterseals</u>: "Easterseals is very concerned about H.R. 1 and the impact the repeal of the Work Opportunity Tax Credit (WOTC) and other tax code provisions will have on individuals with disabilities and other most-in-need populations we serve across the country." [Letter, <u>11/13/17</u>]

ADVOCATES FOR AMERICANS WITH DISABILITIES

<u>Fiscal Policy Task Force, Consortium for Citizens with Disabilities</u>: "The Fiscal Policy Task Force of the Consortium for Citizens with Disabilities (CCD) is deeply concerned about the House tax bill released yesterday... The tax proposal fails to consider the impact of the tax cuts on the independence and economic security of people with disabilities." [Statement, <u>11/3/17</u>]

<u>The Arc</u>: "We oppose this bill because it would reduce revenue by at least \$1.5 trillion over 10 years, thereby increasing pressure to cut Medicaid and other critical programs in the future. We also take issue with the measure's disproportionate benefit to wealthy individuals and corporations and its repeal of expenditures that benefit people with disabilities, such as the medical expense deduction." [Letter, <u>11/15/17</u>]

<u>Council on Foundations</u>: "The Council strongly opposes the bill, given that it does a number of things that would restrict and decrease the charitable giving that our communities rely on. The bill would also significantly weaken the Johnson Amendment, which we are strongly opposed to due to the detrimental consequences that it would have on the charitable sector." [Statement, 11/6/17]

PROGRESSIVE POLICY THINK TANKS

<u>United for a Fair Economy; Responsible Wealth</u>: "As you consider changes to the tax code, we urge you to oppose any legislation that further exacerbates inequality... This proposal would mean wealthy people could pay a lower tax rate than many middle-class families and transfer massive inheritances to their heirs tax-free." [Letter signed by 400 wealthy Americans, <u>11/13/17</u>]

Americans for Tax Fairness: "The tax plan scheduled for a House vote this week—the one touted by President Trump and Congressional Republicans as a tax cut for the middle class—would actually raise taxes on 36 million low- and middle-income American taxpayers by an average of \$1,130 a year once it's fully phased in, based on data from the Tax Policy Center. All those paying more would have household income below \$155,000 in 2027." [Statement, 11/14/17]